

The background of the slide features a large, stylized illustration of two hands shaking. The hands are rendered in a light blue and white color scheme, with the fingers and palms clearly defined. The handshake is positioned diagonally across the slide, from the bottom left towards the top right. The text is overlaid on this background.

State of Arizona Workforce/Succession Planning

September 27, 2007

Workforce and Succession Planning

- What is it?
- Why we're talking about it
- How to get management's interest
- Where do you begin?
- What's ADOA doing?

Workforce/Succession Planning

What is workforce planning?

- **Workforce Planning** – assessing an organization's future human resources needs

‘=‘

right people, right place, right time

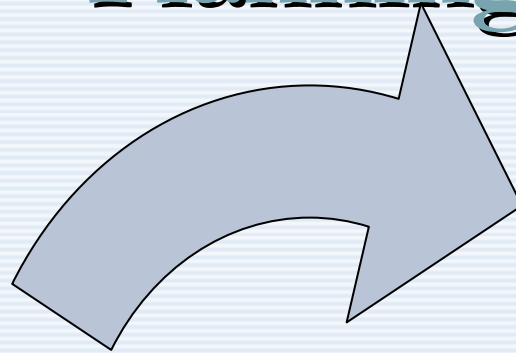
– How will our workforce accomplish the strategic direction – now and in the future?

Workforce/Succession Planning

What is succession planning?

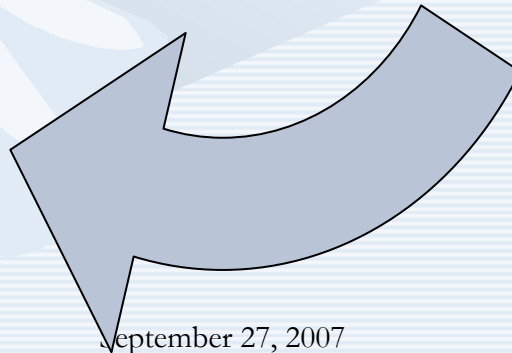
- **Succession Planning** – identifying successors to preserve and enhance institutional knowledge, learned from experience
 - **Vertical view = high level leader positions**
 - **Horizontal view = key positions**

Workforce and Succession Planning



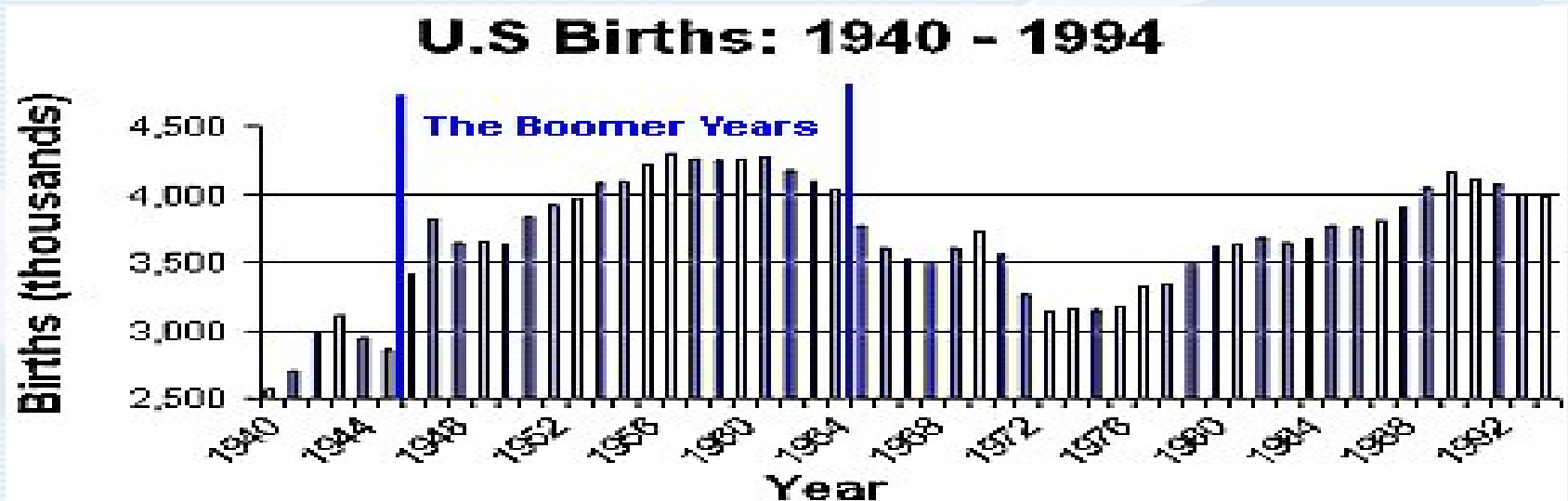
Workforce Planning
= strategic direction, obtaining data
(now v future) setting priorities,
Develop solutions

Succession Planning
= ID key positions, develop
solutions and implement



Workforce and Succession Planning

- **Why** talk about this **NOW**?
- **Baby Boomers – 78 million**
 - Who are they?? 1946-1960 or WHO are WE? 1946-1964



Why Boomer is Better?!?

—Power

- 78 million — 46 million
- 2006 NASPE predicted
 - 1/2 states ~ 20% employees retiring (2011)

—60 is the new 40!

- Mike Flynt 59 year old linebacker
- Polly Rosenbaum

Workforce Threats

- Turnover
- Graying of our workforce
 - Public Sector – 60+⁰% over age 40
- Shortage of Replacement Employees
 - 1965 – applicant pool growing 2.6%/yr
 - 1995 – applicant pool growing 1%/yr
 - 2025 – pool **SHRINKING** 1.5⁰%/year

Source: NASPE 2006

And what about...

– Difficult to Fill Positions

- Nurses, accountants, corrections, PSE's, CPS...

– Retention Difficulties

– Economy

- Low Unemployment Rate – 4.6% nationally
- 8.9M jobs available by 2010 - Watson Wyatt
- 4M jobs available by 2010 - National Association of Colleges

– Employer of Choice????

- Job types, location and salary levels
- Demands – no summer vacation, mandatory overtime - \$2M - \$10M

The Sky IS Falling... Isn't It???



–Are managers hounding us about it?

–Why?

- Been there done that
- Turnover, recruitment difficulties
- *Yeah, so? What's your point?*
- You want **me** to find time to do **what?**

The Sky IS Falling... Isn't It???



– Other headlines

- 0 jobs available by 2010
 - Peter Cappelli, Wharton Business School:
Tune out - Gray2K
- Retirees prepping for ‘encore’ jobs
 - 2 surveys AARP and Merrill Lynch – 76% of workers age 50+ plan to work past retirement
 - Financial Need
 - Health Care

So what's an HR Pro to do?



- Biggest “HOOK” – it’s not just about boomers
 - The predictions we can’t make
 - Change caused by family
 - Sudden illness
 - Other job offer
 - Return to school
 - Death
 - Headlines
- Retiree Reports – suggest “no specifics”
- **ARE WE PREPARED?**

The “Sales” Pitch

- Developing agency-specific information
- ADOA sample power points available
 - Phase 1: sales pitch “world view,” ADOA specific data (compared to other divisions, compared to state, historical data) and why WF/Succession Planning is important
 - Phase 2: Plan of Action

Workforce – Our Reality Check

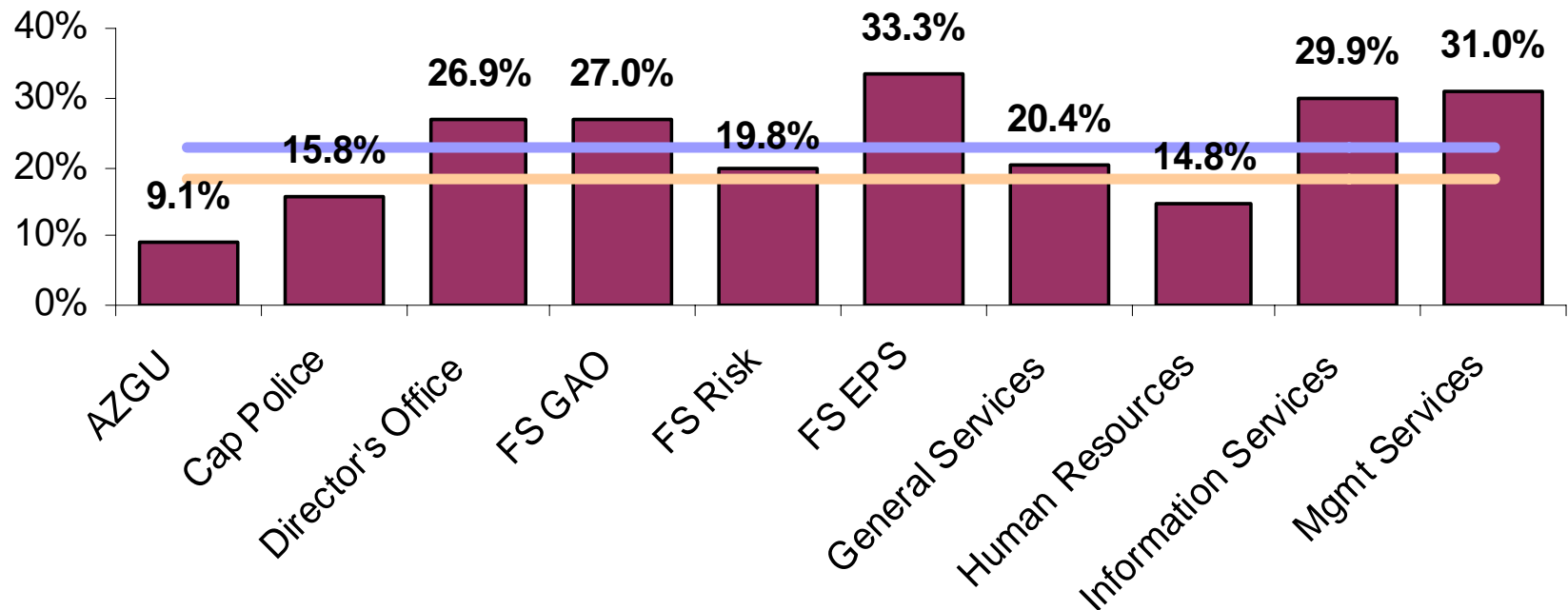
– Turnover

- Statewide (2/28/06): 20.8%
 - Statewide 2005 18.1%
- ADOA (Current 2/28/06): 22.11%
 - ADOA 2005 (covered) 21.5%
 - Average over last 5 years (covered) 15.86%
- Statewide Retirement – CY 05: 10.8%
- ADOA Retirement – CY 05: 5.2%

– Example – IT Tech Specialist 3, 9.59% Statewide Turnover

Workforce – Reality – Turnover*

2005 Separation Rate



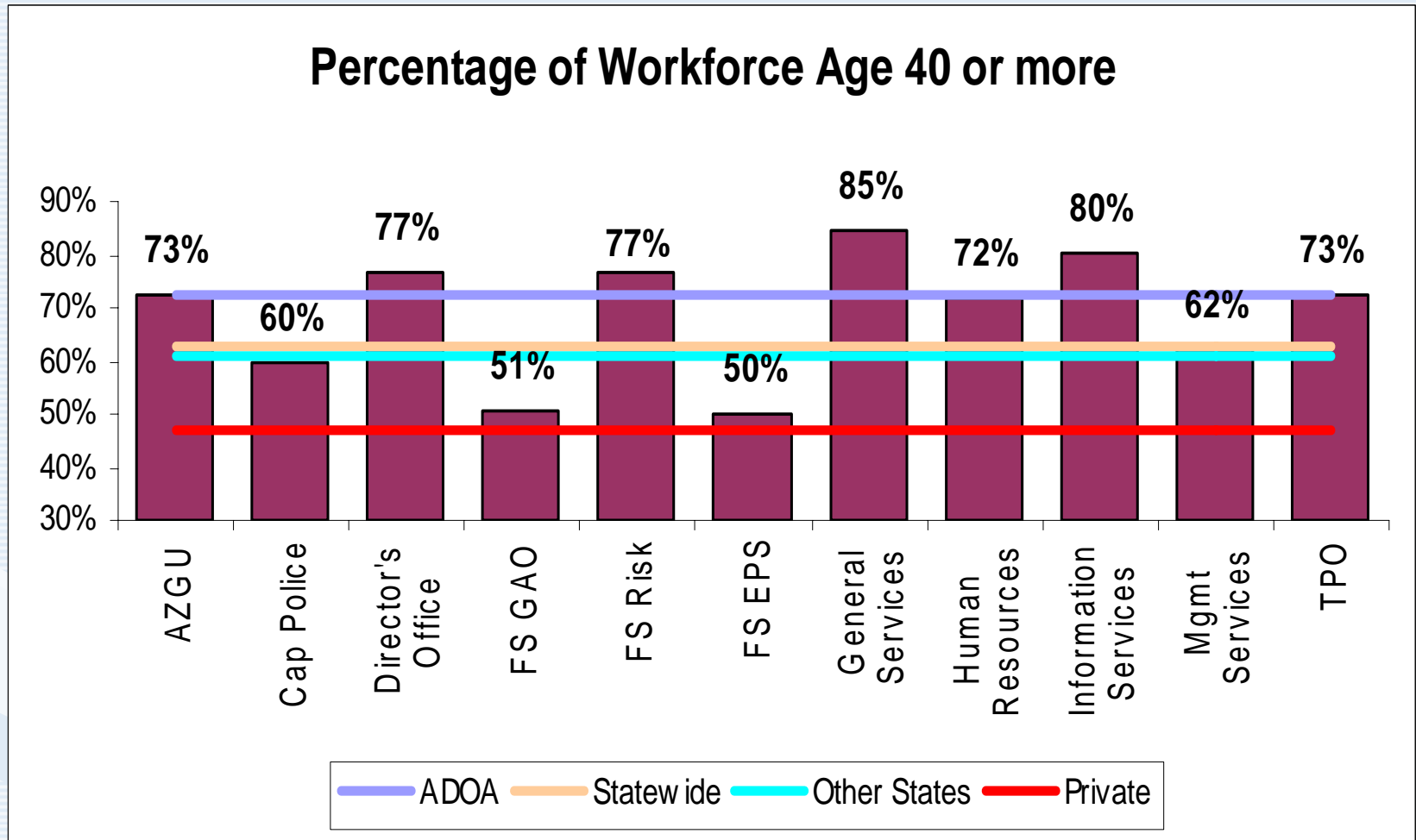
Source:
HRIS – February 2006

Workforce – Our Reality Check

—Aging Workforce (40+):

- Statewide: ~63%
- ADOA: ~73%
- All states: ~61%*
- Federal government: ~65%*
- Private Sector: ~47%*

ADOA – Aging Workforce



Sources:

HRIS – March 2006

U.S. Census Bureau

September 27, 2007

Workforce – More Reality

– “At Risk” of Retiring

- Statewide - 5 years 17.1%
- ADOA – 5 years 31.1%
- Statewide – 10 years 45.2%
- ADOA - 10 years 48.4%

– Length of Service

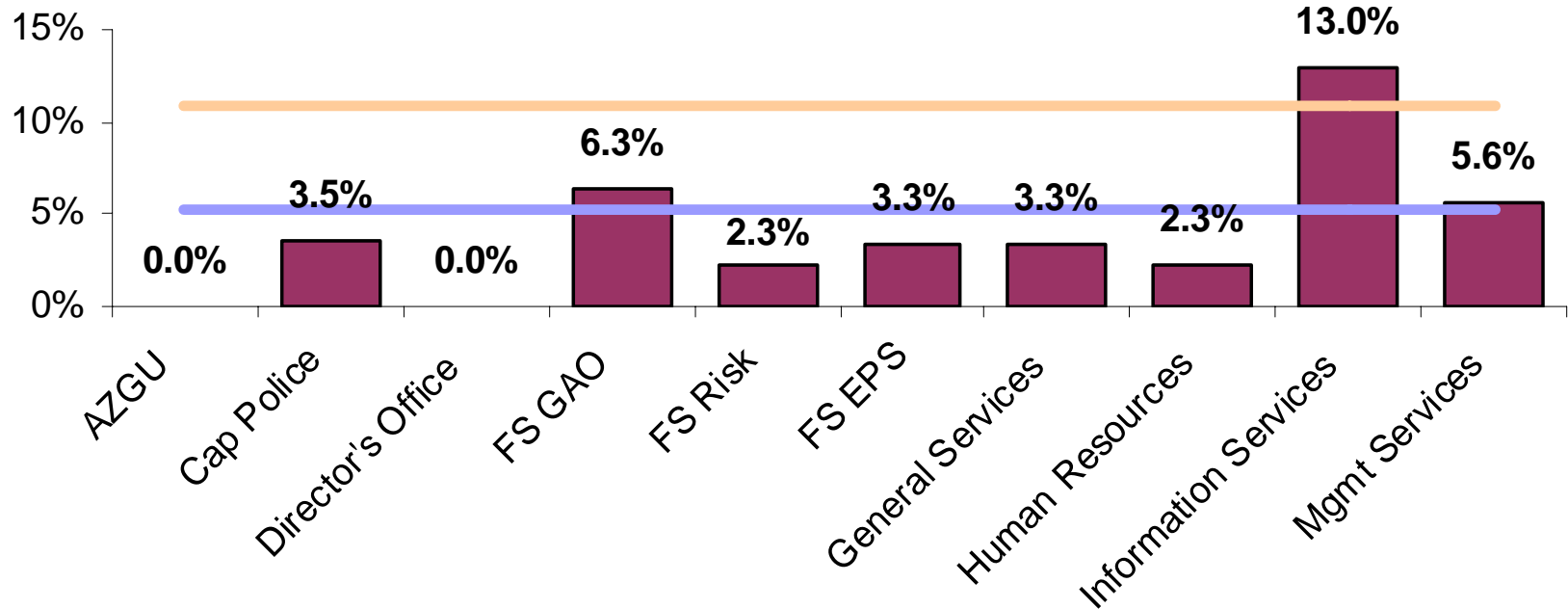
- Statewide: 8.4 years
- ADOA: 9.3 years

e.g., IT Specialist 3; LOS ~10+ yrs v. Industry 18 months

So what's the problem?

Workforce – Reality - Retirements

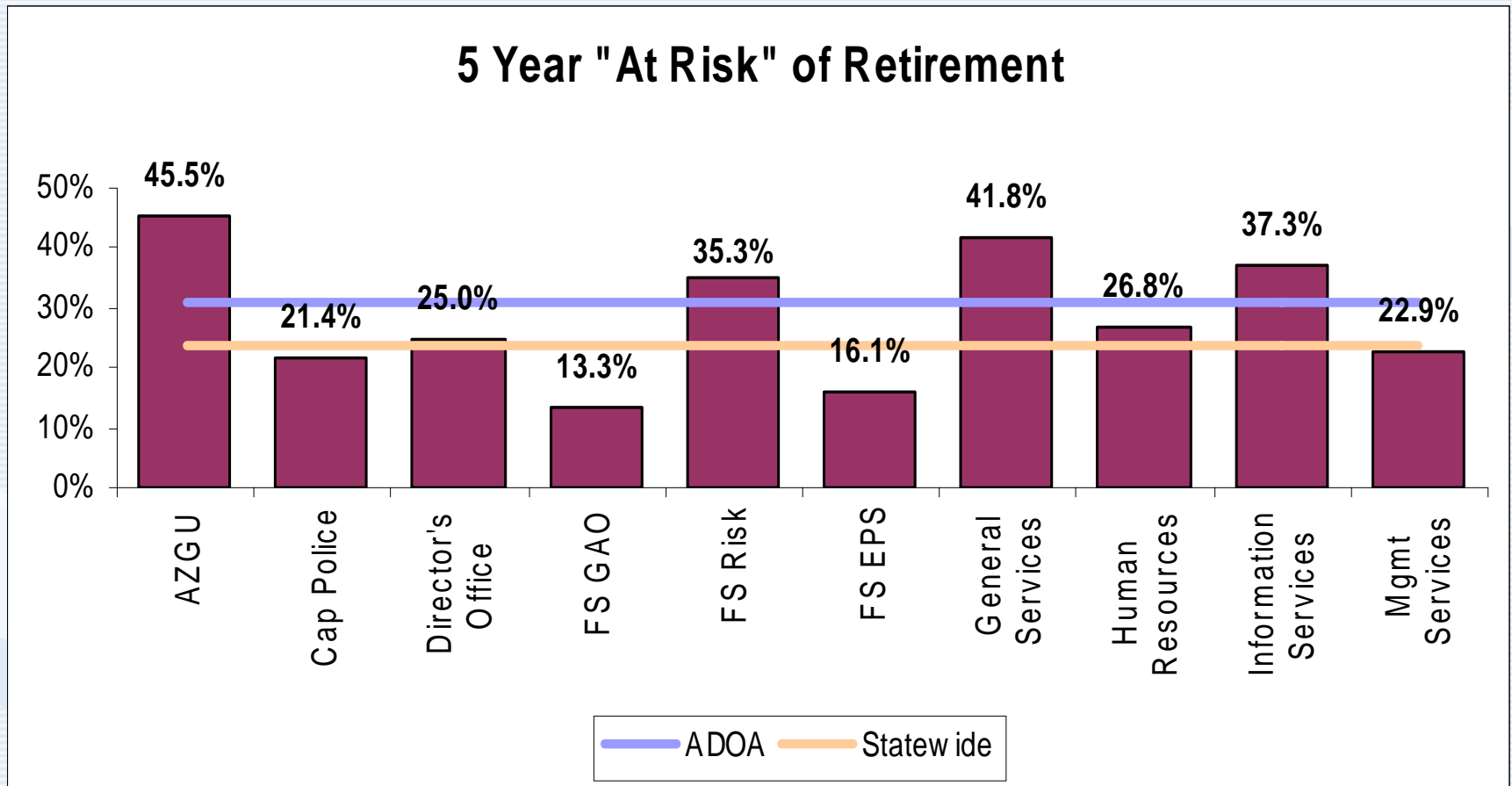
2005 Retirement Rate



Source:
HRIS – February 2006

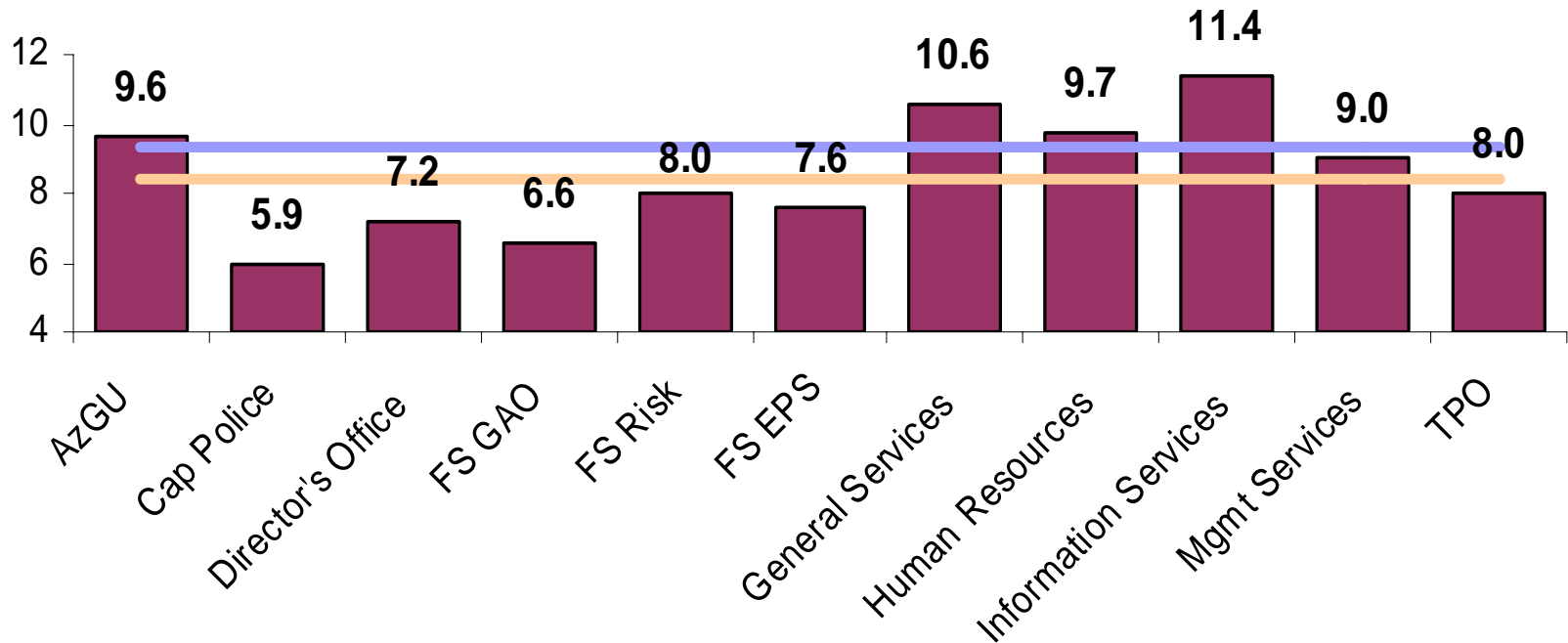
Workforce – Reality

Retirement Risk



Workforce – Reality - LOS

Average Length of Service



Source:
HRIS –March, 2006

— ADOA — Statewide

Vision

Succession Planning linked to Workforce Planning

Goals and Objectives

Continued Effective Performance



Workforce/succession planning

Workforce/Succession Planning

How to begin...

1. What impacts your efforts?
 2. Identify Scope
 3. Demand
 4. Supply
 5. Gaps
 6. Prioritize
 7. Solutions
 8. Implement, monitor, evaluate and improve
- 
- A large, light blue, stylized illustration of two hands shaking, symbolizing agreement or partnership. The hands are positioned diagonally across the lower half of the slide, with the fingers pointing towards the center.

ADAPT TO MEET YOUR NEEDS



What impacts our efforts?

- Strategic Direction
 - Customer expectations
 - New legislation
 - Technology changes
 - External environment
- What work will need to be done?
 - Current functions - unchanged
 - Current functions - changing
 - New Functions
 - Obsolete Functions

2. Scope:

What is the focus of your efforts?

- **Nature of focus:**
 - Individual key positions
 - Classifications or classification series
- **Scale of focus:**
 - Single position
 - Program area or division
 - Agency

3. Demand:

What staff will we need?

- **Demand Analysis:**
 - Identify the types of people – the competencies/knowledge, skills & abilities and/or titles needed
 - Identify the number of each type/title needed by function

4. Supply

Who will be available?

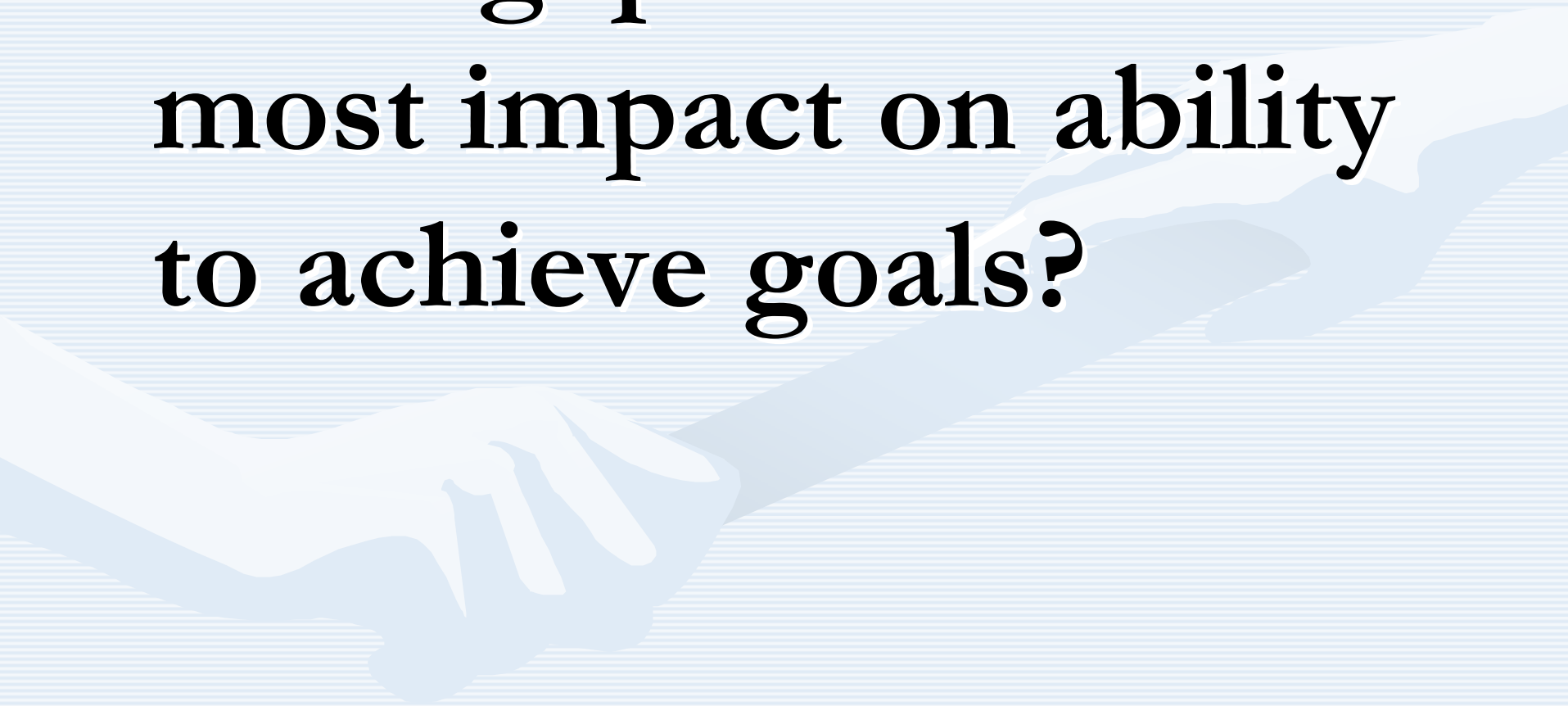
- **Supply Analysis:**
 - Analyze current workforce and trends that will impact attrition, e.g., possible retirements, graduation rates, etc.
 - Employee knowledge, skills, abilities
 - Current workload analysis
 - Project candidate availability

5. Gaps: What will your needs be?

- **Gap Analysis:**
 - Comparison of current workforce skills (supply) with future needs (demand)
 - Analysis of how workforce demographics will change
 - Does agency anticipate losses due to retirement or normal attrition?

6. Prioritize

**What gaps have the
most impact on ability
to achieve goals?**

A stylized illustration of two hands shaking, rendered in light blue and white, positioned behind the main text.

7. Solutions:

What actions to take?

Once priority chosen – data analysis

- Knowledge Transfer
- Recruitment/selection
- Retention
- Staff development

Data Analysis

- Personalize it
 - What are the issues?
 - One size does not fit all
- What does data show? Data lends focus to solution development.
- **Predictions not absolutes**



Solution: Knowledge Transfer

- Document competencies and knowledge transfer methodology
 - Develop job aides, including key contacts, customers, etc.
 - Document procedures
- Identify temporary replacement(s) for all key positions
 - short term; permanent recruitment – how long will it take?
- “Shadow” positions
- NOT just “brain drain” but unknown

Solution: Recruitment

- Increased recruitment efforts
 - Job fairs,* college fairs,* associations
 - Advertising*
 - Marketing*
 - Direct Hire*
- “Grow Your Own”
 - Internships*
 - Details*
 - Mobility Assignments*
 - Community College Training Programs
- Compensation
 - Equity Issues
- Rehiring retirees*

Solution: Retention

- Two major influences: money and career

PROBLEM: not under our control

SOLUTION: Make employees happy in other ways

Solution: Retention

- Alternate work schedules
- Telecommuting
- Enhanced employee services
- Other work life quality initiatives
- Career ladders
- Orientation
- Salary adjustments
- Reassign staff
- Reorganize
- Restructure work
- The Golden Rule
 - Treat People Right
 - Communication, job satisfaction, leadership

Solution: Staff Development

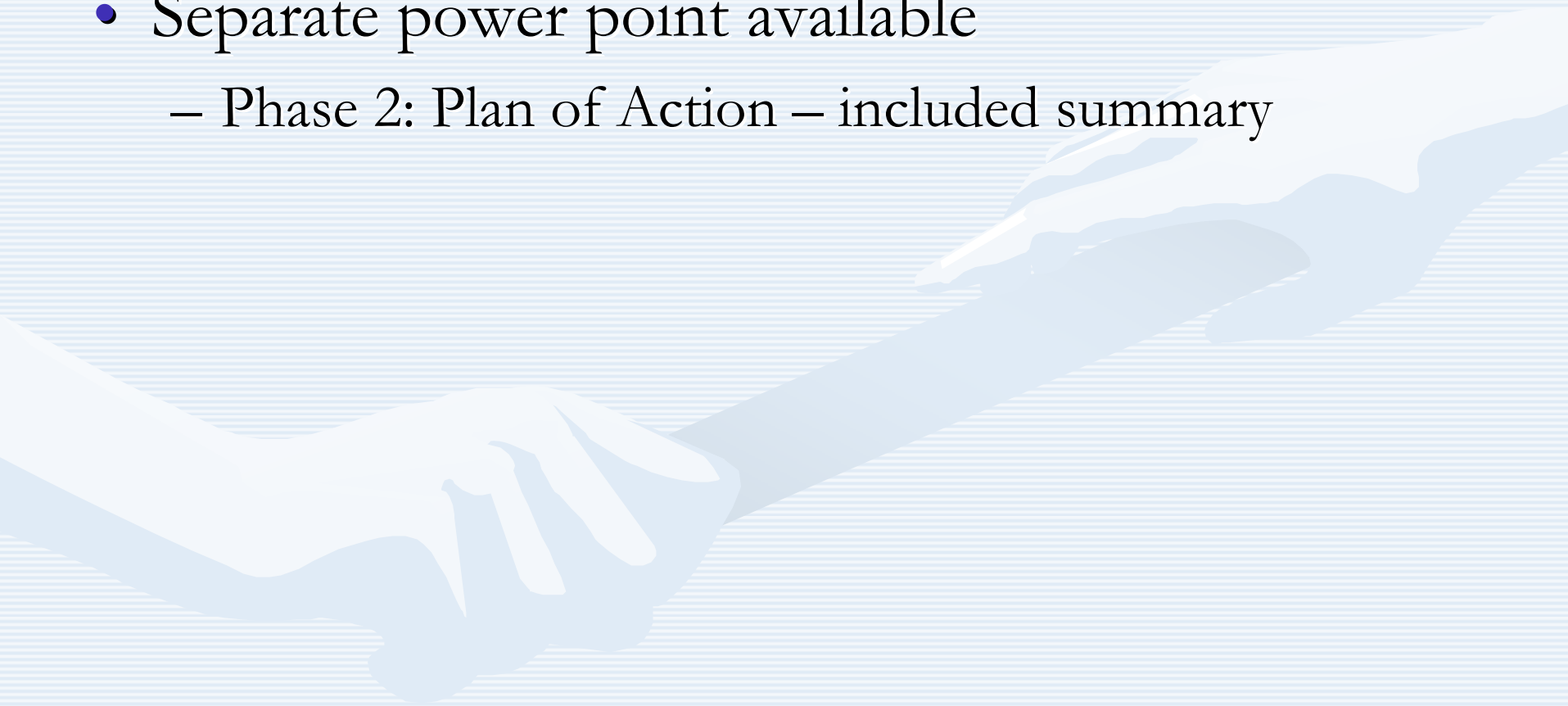
- Training
- PASE and Professional Development Plans
- Arizona Government University
- Supervisor's Academy
- Educational Leave
- Tuition Reimbursement
- Job Rotation
- Mentoring

Implement, Monitor, Evaluate and Improve

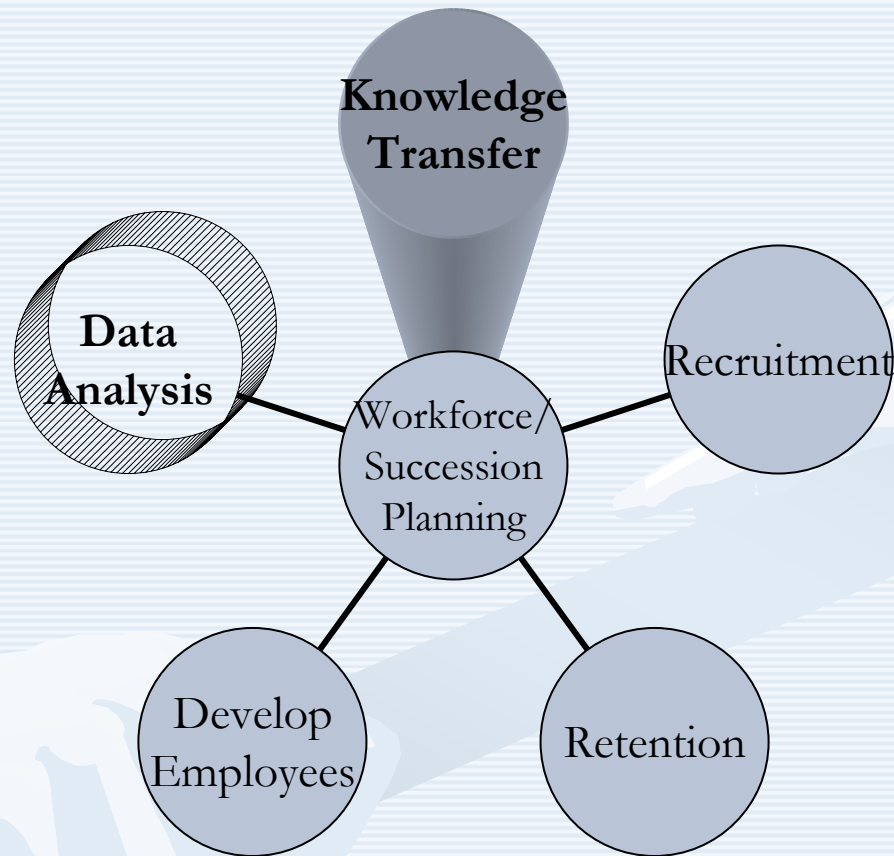
- Gain leadership support
- Modify to meet your needs
- Assess what you are doing now
- Employee communication
- Ensure key staff understand the effort
- Identify and address obstacles to success
- Monitor and evaluate performance
- Revise as needed

The “Sales” Pitch

- Two weeks later
- Separate power point available
 - Phase 2: Plan of Action – included summary



What's ADOA's Solution



Action: Identify **KEY** positions

- AD identifies key position(s)
- Executive Team, as a group, finalizes key positions
- AD identifies temporary replacement(s) for all key positions – short term
- AD identifies sources of potential permanent replacements, including estimated time to fill

Key Positions – What is it?

- **Key position:** Significantly impacts the agency's activities-strategically, operationally or both.
- **Criteria for a key position:**
 - Unique skills
 - Future Projects
 - Specialized Function
 - Importance of tasks assigned
 - Geographical
 - Organizational Structure
 - Work Load
- **NOT** just because it's the top position in an organization
- Key positions vary from agency to agency, division to division. The same title can exist in the same office but do not have the same impact.

Action: Knowledge Transfer

- Document the competencies, knowledge, skills and abilities of the key positions
- Document methods, procedures, customers, key contacts for the work performed
- Document the processes, methods, tools, and techniques of people in key positions and any special skills and responsibilities
- Determine how knowledge transfer will take place, e.g., on-the-job training; utilizing retiring employees as mentors; appoint retiree's successor to "shadow" the incumbent; utilize other similarly situated employees; specialized training

Summary: Documentation

- Key positions
- Executive Team - consensus
- Competencies, skills, procedures documented
- Action Plans to complete documentation of procedures, methods, etc., if necessary
- Knowledge Transfer Methodology and timeframe
- Follow-up regarding progress towards completion

Knowledge Transfer – Key Position

Instructions: Step one: the agency identifies key positions. Step Two: The individual currently occupying the **key position** identifies the competencies, responsibilities and tasks associated with the position and seeks concurrence from his/her supervisor. Supervisor provides information to Assistant Director. Step Three: Assistant Director maintains “key position” official files with copies to Director’s Office. Step Four: Assistant Directors shall report key positions requiring development of job aides and a monthly report regarding progress, until such job aides are finalized.

Step One: Identify a Key Position and Division

Step Two: Identify Competencies, Responsibilities, and Tasks of this key position. Then list specific examples of how these competencies, responsibilities, and tasks are exhibited in this job. Finally, identify how knowledge transfer will be accomplished. (Use additional pages as necessary).

Competency, Responsibility, Task	Output/outcomes	Knowledge Transfer Method/Timeframe
e.g., Uses technology in tasks The use of technology in the performance of one’s job. Includes the integration and acceptance of new technology.	<i>Example:</i> Proficient in multiple applications. Develops and implements strategies to integrate technology into multiple business areas. Proficient in use of multiple technology applications.	<i>Example:</i> Procedures manual with sample reports, timeframes, audience/customer.
e.g., Develop and revise personnel rules	<i>Example:</i> Drafts personnel rules in accordance with administrative procedure; processes rule from development, GRRC approval and filing with SOS.	<i>Example:</i> Procedures manual with specific examples, timeframes, contact/resource information(6 months); GRRC specific training (16 hours); job shadow, if possible; backup trained on process; 3 to 6 months timeframe
e.g., Accountability Can be relied upon to achieve excellent results with little need for oversight.	<i>Example:</i> Meets productivity standards, deadlines and work schedules; Understands, communicates and measures goals accurately	Not Applicable

Signature of Incumbent - Key Position _____ Date _____

Supervisor _____ Date _____

Unit Manager _____ Date _____

Assistant Director _____ Date _____

Step Three: File the original completed Succession Management Plan – Key Position with the Assistant Director and a copy to the Director’s Office.

Step Four: Assistant Director reports key positions requiring development of job aides and a monthly progress report until such job aides are finalized.

Step Five: Evaluate Program by monitoring knowledge transfer activity in your areas of influence, reviewing the success of new employees working in those key positions.]

Tracking Progress...

Microsoft Excel - WF Succession Planning ADOA Key Positions Lorinda							
Type a question for help							
A1							
A	B	C	D	E	F	G	H
1	Division	Position Title	Employee	Description	Temp Replacement	Long-term Solution	Knowledge Transfer
2	1 A&GU	Training Operations Administrator	Pat Dunbar	Combines data from AzABC system, STARS, AzGU billing system and AzGU evaluation system, completing design of the AzGU ABC system	Jim Harris	Recruitment; financial responsibilities being automated	Documentation of billing and automation - April, 2008; course approval documentation July, 2007
3	2 A&GU	Training Officer	Laurie Leach	Facilitate AFIS classes and conduct AFIS Labs; maintain the AFIS Training Region to include assigning all participants and user USERID's and passwords to all on-line training users	On-line training	Recruitment	Documentation completed by October, 2007
4	3 CAPPD	Admin Services Officer I	Diana Stein	Responsible for budget preparation, payroll, purchasing, personnel actions, hiring manager, grant administrator, AZPOST Contact	Budget- Nicole Ankenman	ADOA Internal Recruitment	Employees cross-trained regarding payroll, purchasing and file system; training will be documented regarding budget by April, 2008
5	4 CAPPD	Admin Sergeant	Bret Boettcher	Inventory, noteworthy, other reports, policy and procedures	John Harkness	ADOA Internal Recruitment	Need to document; complete October, 2007
6	5 CAPPD	Communications Supervisor	Nicole Ankenman	ACJIS SSO, MVD Database, Division supervisor, spillman administrator, Phoenix Police PACE	Claudia Morata	ADOA Internal Recruitment	Need to document; complete October, 2007
7	6 CAPPD	Parking Coordinator	Vacant	Citations, invoice, hearings, payments, miscellaneous	Position being reviewed	Determination made after review	Will update after review
8	7 CAPPD	Info Processing Specialist III	Vacant	Departmental reports, intoxilyzer calibrations and officer certificates, monthly, quarterly and yearly reports	Position being reviewed	Determination made after review	Will update after review
9	8 EPS	Information Technology Specialist III	Greg Dwight	SPIRIT Administrator, SPIRIT database knowledge, SPIRIT application usage knowledge	Steve Allemen	Internal Recruitment	Cross-training has taken place; system admin for Spirit documented; look at developer for back-up; long-term AFIS replacement or ISD programmer/system administrator for support.
10	9 EPS	Information Technology Specialist II	Ruth Johnston	ADOA purchasing system database knowledge; ADOA purchasing system usage knowledge	Steve Allemen	Internal Recruitment	Procedures documentation complete; long-term AFIS replacement.
11	10 GAO	Assistant Director	Clark Partridge*				Cross-training and documentation in process.
12	11 GAO	Deputy Assistant Director	Mohamunad Khaksari*				Cross-training and documentation in process.
13	12 GAO	Support Services Manager	Tami Eckloff	Budget preparation, secretary to the State Comptroller, employee training, inbound mail distribution, reception, GAO Office Management, time and attendance input, warrant distribution, outbound mail distribution, travel policy exception processing, travel policy inquiry response and related activity, warrant preparation and reconciliation, warrant and document reconciliation.	Tami Burt, Cheryl Wilcox, Sheri Gates, Vacant A&JII, Jan Sharon-Streiby (primaries - Tami Burt & Cheryl Wilcox, but all responsible for portions of position)	Internal Recruitment	Documentation/procedures complete regarding front desk, file room, P-card, key contact list complete; back-up cross-trained on majority of functions; automating will also document and improve process; staff development training will also include knowledge transfer, developing personnel and budget documentation.
14	13 GAO	Financial Reporting Manager	Ron Santa Cruz	Comprehensive annual financial report (CAFR) preparation; Arizona Financial Highlights preparation; fixed asset oversight and assistance; other technical assistance; certificates of participation (COP).	Chris Freitag, Mike Kallaur (primaries)	Statewide recruitment	Cross-training 75% complete; Documentation - 50% complete; complete documentation by October, 2007
15	14 GAO	FAAR Manager	Anita Kleinman	CMIA Administration; single audit report and federal grants; SWCAP; Annual Financial Report; Administrative Adjustments and Relief Bill; appropriation loading; fund establishment and reporting; revolving fund monitoring; review of appropriation documents; central services bureau.	Barbara Stephens, Randy Orchard (primaries), Maryann DeMoss, Vacant Statewide Accountant	Statewide recruitment	75% cross-trained; 75% documented complete by October, 2007
				Tax reporting, compensation reporting, involuntary deductions, voluntary deductions, general reconciliation, state and university payroll reconciliation, corrections,			

Questions???????

